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Attorneys for Defendants
VELOCITY EXPRESS LEASING, INC.; AND
VELOCITY EXPRESS, INC.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

PHILIP JONES, and KIM KEO,
individually and on behalf of others
similarly situated, and on behalf of the
California general public,

Plaintiff,

v.

VELOCITY EXPRESS LEASING,
INC., also known as VELOCITY
EXPRESS LEASING WEST COAST,
INC., a Delaware Corporation;
VELOCITY EXPRESS, INC., a
Delaware Corporation; and DOES I
through 100, Inclusive,

Defendants.

Case No.

C08-00773 VRW

**DECLARATION OF MICHAEL
TRAFECANTE IN SUPPORT OF
DEFENDANTS' REMOVAL OF
ACTION TO FEDERAL COURT
UNDER 28 U.S.C. §§ 1332(d), 1441(a),
AND 1446**

Complaint Filed: November 6, 2007
(Alameda County Superior Court)

1 I, MICHAEL TRAFECANTE, do hereby declare and state as follows:

2 1. I am the Corporate Controller for Defendant Velocity Express, Inc.
3 I make this Declaration in support of Defendants' Notice of Removal of Action to
4 Federal Court under 28 U.S.C. §§ 1332(d), 1441(a), and 1446. All of the information
5 contained herein is based upon my personal and first hand knowledge, unless
6 otherwise indicated, and if called and sworn as a witness, I could and would
7 competently testify thereto.

8 2. In my capacity as Corporate Controller for Velocity Express, Inc.,
9 I manage the finances of Defendants' joint business operations. I am readily familiar
10 with Defendants' business operations and have access to information concerning the
11 level of business conducted by Defendants in the different states in which they
12 operate, including California.

13 3. Defendant Velocity Express, Inc. ("Velocity Express") is
14 incorporated in the State of Delaware.

15 4. Defendant Velocity Express Leasing, Inc. ("Velocity Express
16 Leasing"), which is a wholly owned subsidiary of Velocity Express, is also
17 incorporated in the State of Delaware.

18 5. Although Defendants are two separate legal entities, their business
19 operations are one and the same. Defendants are in the business of selling and
20 arranging delivery services, which services are predominantly performed by
21 independent contractor couriers.

22 6. Defendants' business is spread throughout 40 states. Although
23 Defendants' business volume and revenue generation differs from state-to-state, no
24 one state predominates. The volume of business and revenue generated in California,
25 while significant, is exceeded by the business individually generated in Florida, New
26 Jersey and New York.

27 7. Nationwide, Velocity Express currently contracts with
28 approximately 4,400 independent contractor delivery drivers ("contractors"). Of the

**DECLARATION OF MICHAEL
TRAFECANTE ISO REMOVAL**

1.

1 approximately 4,400 contractors currently contracting with Defendant, only
2 approximately 260 perform delivery services in the State of California. The
3 remaining 4,140 contractors perform services across the 39 other states in which
4 Defendants do business. For purposes of comparison, approximately 475 contractors
5 operate in Florida, approximately 570 operate in New Jersey and approximately 780
6 operate in New York.

7 8. Defendants are jointly operated by the same executive and
8 administrative personnel in the same locations. The vast majority of Defendants'
9 executive functions are handled at their corporate headquarters located in Westport,
10 Connecticut. Most major corporate decisions, as well as most decisions impacting
11 Defendants' day-to-day business operations, are made by company executives at this
12 location. Defendants share the same Chief Executive Officer, Chief Financial Officer
13 and Chief Operations Officer, all of whom work at the Connecticut headquarters.

14 9. Some of Defendants' administrative functions and a small
15 percentage of the executive functions are managed from a satellite office in Houston,
16 Texas. The number of executives working in the Houston office is much smaller than
17 the number who work in Connecticut. In addition, fewer decisions effecting corporate
18 policy and day-to-day business activities are made in the Houston office.

19 10. Also, a small percentage of Defendants' executive functions are
20 managed from two separate satellite offices in New Jersey.

21 11. Defendants do not maintain any facilities other than the offices in
22 Connecticut, Texas and New Jersey that house executive functions.

1 12. Defendants do not maintain a corporate or administrative office in
2 the State of California, although they do operate warehouses and sorting facilities in
3 the state.

4 13. I declare under penalty of perjury under the laws of the United
5 States of America that the foregoing is true and correct.

6 Dated this 1st day of February 2008 in Westport, Connecticut.

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9 MICHAEL TRAFECANTE

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**DECLARATION OF MICHAEL
TRAFECANTE ISO REMOVAL**

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